



# PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

## EMPLOYMENT TRENDS

The Panhandle seasonally adjusted unemployment rate fell from 7.6 percent in April to 7.4 percent in May as the region prepared for what is expected to be its best summer tourist season ever and as exceptionally low mortgage rates pushed *Construction* employment 6.0 percent above last year's level. *Financial Activities*—which include banking, investment, credit, insurance, real estate, and rental businesses—also has benefited from the residential construction boom, increasing payroll jobs 5.1 percent from May 2002 to May 2003. See Panhandle Table 1 for details.

Promising a hot tourist season are Coeur d'Alene's hosting of the Ironman Triathlon in late June, the opening of Silverwood Theme Park's Boulder Beach water park in early July, the recent unveiling of the remodeled Coeur d'Alene Resort Golf Course, and this summer's opening of the golf course at the Coeur d'Alene Tribal Casino. In addition, recent changes in the exchange rate could encourage more Canadians to travel and shop in the Idaho Panhandle this summer. In October 1991, the value of the Canadian dollar, often called the Loonie because of the picture of a loon on it, rose 14 percent—from 63 cents on the American dollar in October to 72 cents in May. That's the Loonie's highest level since October 1997, giving Canadians more incentive to spend their money in the U.S.

If the Canadian Loonie continues to appreciate relative to the U.S. dollar, it also may benefit the Panhandle's hard-pressed *Wood Product Manufacturing* sector by making Canadian lumber relatively more expensive. The flood of Canadian lumber into the U.S. over the last few years has depressed lumber prices despite the strong U.S. housing market. Low prices during the last year have caused several Panhandle mills to cut hours, reduce employment, or shut down for maintenance more than nor-

Panhandle Table 1: Labor Force & Employment

	May 2003*	April 2003	May 2002	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	92,410	92,240	92,900	0.2	-0.5
Unemployed	6,810	6,990	8,260	-2.6	-17.6
% of Labor Force Unemployed	7.4	7.6	8.9		
Total Employment	85,600	85,250	84,640	0.4	1.1
<b>Unadjusted</b>					
Civilian Labor Force	92,390	91,880	92,820	0.6	-0.5
Unemployed	6,670	8,400	7,930	-20.6	-15.9
% of Labor Force Unemployed	7.2	9.1	8.5		
Total Employment	85,720	83,480	84,890	2.7	1.0
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>					
<b>Goods-Producing Industries</b>					
Natural Resources & Mining	1,240	1,050	1,220	18.1	1.6
Construction	4,770	4,350	4,500	9.7	6.0
Manufacturing	6,750	6,660	6,970	1.4	-3.2
Wood Product Manufacturing	2,620	2,700	2,900	-3.0	-9.7
Other Manufacturing	4,130	3,960	4,070	4.3	1.5
<b>Service-Providing Industries</b>					
Trade, Transportation, & Utilities	12,920	12,830	13,100	0.7	-1.4
Wholesale Trade	1,390	1,350	1,390	3.0	0.0
Retail Trade	10,010	9,900	10,210	1.1	-2.0
Utilities	380	380	380	0.0	0.0
Transportation & Warehousing	1,140	1,200	1,120	-5.0	1.8
Information	1,280	1,270	1,290	0.8	-0.8
Financial Activities	2,900	2,900	2,760	0.0	5.1
Professional & Business Services	6,810	6,570	6,750	3.7	0.9
Educational & Health Services	6,760	6,790	6,600	-0.4	2.4
Leisure & Hospitality	8,510	8,040	8,400	5.8	1.3
Other Services	2,360	2,340	2,210	0.9	6.8
Government Education	5,240	5,190	5,170	1.0	1.4
Government Administration	8,630	8,480	8,440	1.8	2.3
Government Tribes	1,000	1,000	980	0.0	2.0

\* Preliminary estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

mal. The 280 jobs lost between May 2002 and May 2003 include the 120 jobs lost in late April when Louisiana-Pacific (L-P) shut down its Bonners Ferry mill for an indefinite period.

*Other Manufacturing* employment added 170 jobs between April and May because of normal seasonal increases in concrete production and because of the continued expansion of Bonner County's manufacturing sector. While the rest of the Panhandle and the United States as a whole have lost many manufacturing jobs in the last two years, Bonner County's *Manufacturing* sector has added about 140 jobs. The new jobs came from expansions of Litehouse Dressing, Unicep Packaging, and Packer Aircraft and relocations of several small manufacturers recruited by Bonner County Economic Development Corporation.

## AREA DEVELOPMENTS

### Benewah County

- Potlatch Corp. currently is completing a \$2.7 million upgrade at its St. Maries complex where it employs 320 people. At the sawmill, Potlatch is installing computerized optimizers whose electronic eyes determine the most efficient way to position and saw logs. The optimizers will allow the sawmill to produce more board feet per log. It also will require two fewer people per shift; the people who currently position equipment to saw boards most efficiently will no longer be needed. New equipment at the plywood mill will make veneer that Potlatch will sell to companies that make laminated veneer lumber, which is increasingly used as support beams. Potlatch is shifting its focus to specialty markets and away from traditional plywood, which has been losing market share to oriented strand board. The upgrade represents Potlatch's continued commitment to the St. Maries complex, the most profitable site in its Western Wood Products division. The upgrade required a shutdown of the mill from Memorial Day weekend through June 18 that affected about 80 workers.
- The Coeur d'Alene Tribe broke ground on June 2 for an 11,000-square-foot, \$2.2 million Early Learning Center near the Benewah Medical & Wellness Center in Plummer. The Early Learning Center will house childcare services, Head Start, Early Head Start, and Even Start, which currently are scattered across several buildings. Proximity to the wellness center gives the programs easy access to the pool and gym. Construction is slated for completion by early September. The children's programs will serve all community members with tribal members getting first priority.
- The Coeur d'Alene Tribe also recently started construction on a visitor center for the western end of the Trail of the Coeur d'Alenes. The 72-mile bike path extends along the former Union Pacific Railroad from Mullan in Shoshone County to Plummer. A parking lot that can accommodate up to 30 cars and a restroom facility are currently under construction. A \$500,000 HUD grant is paying for the construction. Eventually, a large information center also will be built there.
- Michael Hill recently opened The Glass Butler, a windshield repair service, on Eighth Street in St. Maries. The new business is similar to another St. Maries business—Mountain States Glass—owned by Hill's brother Kirk. It will provide windshield replacement and rock chip repair services to Idahoans from Grangeville north to the border, and will gar-

ner customers by word of mouth and telemarketing. Mountain States Glass, which employed more than 70 people three years ago, has downsized a great deal since then. The Glass Butler opened with a staff of six people and plans for future expansion.

### Bonner County

- Coldwater Creek, the Sandpoint-based mail order catalog company, continues to open new retail stores. By last Christmas, it had 43 retail stores across the United States. This year, it is opening more than 20 retail stores. It may add up to 40 stores next year. Coldwater also is in the process of opening six outlet discount stores. In 2000, stores made up 7 percent of Coldwater's sales; by 2005, they are expected to make up 50 percent. Coldwater Creek employs about 350 people in the Sandpoint area—at its corporate headquarters in Kootenai and its first store, Cedar Street Bridge in downtown Sandpoint.

### Kootenai County

- Boulder Beach, the new 12-acre water park at Silverwood Theme Park, features four water slides, two waterfalls, a 22,000-square-foot wave pool, a "lazy river" for floating, a swim-up beverage bar, a retail store, and a restaurant. It also includes Polliwog Park, a play area for younger children. Silverwood expects that the water park will boost tourist visits 10 percent above last year's record 350,000 visits, as well as turning the park into a two-day adventure.
- While the loss of contracts forced Center Partners to significantly cut employment at its call centers in Colorado and Idaho Falls since April, its two call centers in Kootenai County downsized only slightly. Center Partners' largest client was AT&T Broadband. After Comcast purchased AT&T Broadband in November, Comcast chose to provide more services in house and reduced its contracts with Center Partners. In late June, Center Partners signed up a new client, whose name has not been announced, that could result in the addition of 150 jobs at Center Partners operations in Coeur d'Alene and Post Falls by September. Currently, Center Partners employs about 950 people in Kootenai County.
- Among the newest businesses in Post Falls are Kootenai Lawn & Garden, which sells and repairs lawn and garden equipment at 808 West Mullan Avenue, and a Zips Drive-In, which serves fast food at the former Jack in the Box location at 3960 West Railroad Avenue. Zips also will open a drive-in restaurant in Rathdrum later this summer, when Zip's new building along Highway 41 is complete.
- The Zoo, a store that opened a year ago in the Coeur d'Alene Resort Plaza Shoppes, expanded in April by

*Continued on page 25*

annexing the space occupied by the Bon Marché boutique until it closed in January. The boutique, which employed 10 people, became redundant after the Bon opened a 38,000-square-foot store last fall at the Silver Lake Mall in Coeur d'Alene. (On August 1, the Bon is changing its name to The Bon Macy's to benefit from the national reputation of the Macy's chain. Both store chains are owned by Federated Department Stores.) The Zoo's annex allowed it to open a wine cellar and a confectionery, as well as increase its inventory of gift items and home accessories.

- Coeur d'Alene recently welcomed these new businesses: Preferred Technologies, a seven-year-old company that moved from Oregon to 701 North Fourth Street, where its four employees sell tools and equipment to television cable companies throughout North America; PC Game Warz, offering 28 networked com-

puters for playing games, at the Sunset Mall in Coeur d'Alene; O'Shay's Irish Pub & Eatery in the former Quigley's spot at 313 Lake Coeur d'Alene Drive; Sweatpea Home Interiors, selling home furnishings and accessories at 404 Sherman Avenue; Accessories by Gosh, selling women's footwear, jewelry, belts, and handbags, in the Coeur d'Alene Resort Plaza Shoppes; Tag's Produce, selling fruits, vegetables, and bedding plants, at Government Way and Haycraft Avenue; and The Proverbial Cup, selling coffee, books, gifts, and work by local artists at 1705 Northwest Boulevard.

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